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FOR IMMEDIATE RELEASE

Company Agrees to Safeguards for Student Information

(Phoenix, Ariz. – October 30, 2008) Attorney General Terry Goddard today announced a \$200,000 settlement with Educational Research Center of America, Inc. (ERCA), a New Jersey-based, not-for-profit corporation. According to the settlement, ERCA must improve its practices for obtaining and handling personal information it collects through nationwide surveys of high school students.

The settlement was reached between ERCA and Attorneys General from 36 states, including Arizona, and the District of Columbia. The agreement, which takes the form of an Assurance of Discontinuance / Assurance of Voluntary Compliance, does not constitute an admission of wrongdoing and is subject to court approval.

The states alleged that ERCA offered gift cards to educators return for distributing surveys that asked high school and junior high school students to provide personal information, including their ethnic background, honors won, participation in sports and extracurricular activities and the religious affiliation of colleges they were considering.

The information obtained in these surveys was marketed and provided to colleges and other educational institutions as well as to commercial businesses that market products and services to students.

The Attorneys General further alleged that ERCA collected the survey data without disclosing to students and parents how to opt out of sharing their personal information and offered educators \$40 and \$50 gift cards in an attempt to entice them to have students complete the surveys.

In addition to the cash settlement, the agreement requires ERCA to clearly disclose how students may opt out of surveys and stop offering anything of monetary value to educators in return for collecting students' personal information.

Arizona will not receive funds out of the settlement amount, but will benefit from the agreement's disclosure requirements and prohibition on offering anything of monetary value to educators for the collection of student information.

Along with Arizona, the Attorneys General of 35 states and the District of Columbia participated in this settlement: AL, AK, CT, DE, HI, IL, IN, IA, LA, ME, MD, MI, MS, MT, NE, NV, NH, NJ, NM, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, VT, VA, WA, WV, WY and DC.

Assistant Attorney General Rebecca Salisbury handled this case. A copy of the settlement is attached.

For more information, contact Anne Hilby at (602) 542-8019.

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